WASHINGTON, D.C.—Today the House of Representatives passed by a strong bipartisan vote the final version of the Credit Cardholders' Bill of Rights, a bill that will bring common sense reform and consumer protections to our financial system. Representative Xavier Becerra (CA-31), Vice Chair of the House Democratic Caucus, voted for the bill, which will now be sent to the president's desk to be signed into law.

"As we work to rebuild our economy, it is essential that we start with a solid foundation of regulations that discourage excessive debt and reward responsibility and hard work," Rep. Becerra said. "The Credit Cardholders' Bill of Rights not only protects consumers from arbitrary rate hikes, unfair fees and other such practices, it puts in place a framework that will prevent the future buildup of excessive personal debt that has plagued so many families. This bill provides a much-needed dose of sanity to the credit card industry."

"Despite the many strong pro-consumer provisions in this legislation, I am disappointed that the Senate added language that would prohibit the Secretary of the Interior from acting to keep guns out of our national parks. For this reason, I voted against the inclusion of this provision in this legislation that consumers in our country so badly need."

Credit card debt in the U.S. has reached a record high —nearly $1 trillion. Almost half of American families currently carry a balance, and one-fifth of those families pay an interest rate above 20 percent. In 2008, credit card issuers imposed $19 billion in penalty fees on families with credit cards.

Among other provisions, the bill prevents unfair increases in interest rates and arbitrary changes to credit card agreements. Specifically, it prohibits interest rate increases on existing balances unless the consumer is 60 days late on a payment or fails to comply with a workout agreement. It eliminates "universal default," where card issuers raise interest rates because of late payments or default with other creditors, and it also requires a card issuer who increases a cardholder's interest rate to periodically review and decrease the rate if indicated by the review.

The legislation also prohibits exorbitant fees, requires fairness in the timing of card payments, and provides greater disclosure and transparency of terms and conditions. The bill prohibits issuers from charging a fee to pay a credit card debt, whether by mail, telephone, or electronic transfer. It requires payments in excess of the minimum to be applied first to the credit card balance with the highest rate of interest, prohibits issuers from setting early morning deadlines for credit card payments, and requires credit card statements to be mailed 21 days before the bill is due rather than the current 14. It also requires cardholders to be given 45 days notice of interest rate, fee, and finance charge increases and requires issuers to provide disclosures to consumers upon card renewal when the card terms have changed.

- For more information on the Credit Card Holder's Bill of Rights, click here .

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